

Wayne Allard

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SENATOR ALLARD: CLASS ACTION LEGISLATION BRINGS COMMON SENSE, FAIR PLAY

WASHINGTON, D.C. -- U.S. Senator Wayne Allard (R-Colorado) made the following statement Thursday after voting for the Class Action Fairness Act of 2005, which passed the U.S. Senate by a vote of 72 to 26.

“This legislation is a significant step in reforming class action litigation. Under the current rules, class action lawyers rake in millions of dollars while the clients they represent receive a worthless coupon – or even less. These are frivolous lawsuits filed to grab a fast buck and do nothing whatsoever for consumers.”

“These kinds of lawsuits levy what is essentially a tax on American productivity and job creation. The legislation approved today by the Senate will inject sorely needed elements of common sense and fair play into class action lawsuits.

“Specifically, it will provide greater protections for the victims whom the class action lawsuit was originally designed to benefit.

“It will establish a consumer class action bill of rights that would require more intense judicial review of settlements that either result in a net loss to the class members on whose behalf a suite was filed, or give class members only coupons. It also prohibits a court from approving a settlement that discriminates among plaintiffs on account of their geographical location.”

“It also allows such cases to be moved into a federal court if the amount of money in question exceeds \$5 million, and at least one claimant and one defendant live in different states.”

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Attached: Highlights of the legislation